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Sectoral policy questions: industrial development cooperation

Draft resolutions submitted by the Chairman of the Committee, Mr. Alexandru Niculescu (Romania), on the basis of informal consultations held on draft resolution A/C.2/55/L.22

Industrial development cooperation

The General Assembly,

Recalling its resolutions 46/151 of 18 December 1991, 49/108 of 19 December 1994, 51/170 of 16 December 1996 and 53/177 of 15 December 1998 on industrial development cooperation,

Recalling the United Nations Millennium Declaration, adopted by the Heads of State and Government on 8 September 2000,[1]

Recognizing the increasing role of the business community, including the private sector, in enhancing the dynamic process of the development of the industrial sector,

Recognizing the importance of technology transfer to the developing countries as an effective means of international cooperation in the field of industrial development,

Taking note of the report of the Director-General of the United Nations Industrial Development Organization,[2]

1. *Reiterates* that industrialization is a key element in the promotion of the sustainable development of developing countries, as well as in the creation of productive employment, the eradication of poverty and facilitating social integration, including the integration of women into the development process;

2. *Stresses* the importance of domestic industrial transformation in developing countries as a way of increasing the value added of their export earnings,

[1] Resolution 55/2.
[2] A/55/356.

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so that they may benefit fully from the process of globalization and trade liberalization;

3. *Recognizes* the need for an enhanced role of industry to fight marginalization of developing countries;

4. *Underscores* the importance of industrial development cooperation and a positive investment and business climate at the international, regional, subregional and national levels in promoting the expansion, diversification and modernization of productive capacities in developing countries and countries with economies in transition;

5. *Reaffirms* the need, within the existing United Nations Industrial Development Organization service modules, for initiatives stretching beyond those associated with economic adjustment and stabilization to support the survival and expansion of the manufacturing activity in developing countries, especially in the least developed countries;

6. *Emphasizes* the necessity of a favourable international and national environment for the industrialization of developing countries, and urges all Governments to adopt and implement development policies and strategies that promote, within a framework of transparent and accountable industrialization policies, inter alia, enterprise development, foreign direct investment, technological adaptation and innovation, expanded access to markets and the effective use of official development assistance to enable developing countries to enhance an environment attractive to investment so as to augment and supplement domestic resources for the expansion, diversification and modernization of their industrial productive capacity in the context of an open, equitable, non-discriminatory, transparent, multilateral and rule-based international trading system;

7. *Acknowledges* the interlinkage of globalization and interdependence, and reiterates the importance of technology transfer to the developing countries as an effective means of international cooperation in the field of industrial development;

8. *Confirms* the contribution of industry to social development, especially in the context of the linkages between industry and agriculture, and notes that within the totality of these interlinkages, industry serves as a powerful source of employment generation, income creation and social integration required for the eradication of poverty;

9. *Recognizes* the continuing use of official development assistance also for industrial development in the developing countries, and calls upon donor countries and the recipient countries to continue to cooperate in their efforts to achieve greater efficiency and effectiveness of official development assistance resources devoted to industrial development cooperation;

10. *Emphasizes* the importance, for developing countries, of financing for industrial development, including market-based mechanisms and instruments as well as innovative funding modalities, such as co-financing schemes and trust funds, debt-equity swaps and, as appropriate, other debt relief measures and official development assistance specifically designed to strengthen the industrial capacities of developing countries through, inter alia, the facilitation of private capital flows, and, in this regard, requests relevant entities of the United Nations system, including the United Nations Industrial Development Organization and the United Nations

Conference on Trade and Development, in the context of their strategic partnership, to support developing countries and countries with economies in transition in their efforts to mobilize resources for industrial development, especially by means of investment promotion activities, the development of small and medium-sized enterprises, an increase in the competitiveness of their exports, the encouragement of practices to promote employment in industries and various forms of business partnerships, such as industrial joint venture schemes, enterprise-to-enterprise cooperation and venture capital funds for industrial development;

11. *Reiterates* the importance of cooperation and coordination within the United Nations system in providing effective support for the sustainable industrial development of developing countries, calls upon the United Nations Industrial Development Organization to continue carrying out its central coordinating role within the United Nations system in that respect, and welcomes the efforts of the United Nations Industrial Development Organization to strengthen its cooperation with the rest of the United Nations system at both the headquarters and the field levels, by, inter alia, actively participating in the resident coordinator system, so as to enhance the effectiveness, relevance and development impact of such support;

12. *Calls upon* the international community and the relevant bodies and organizations of the United Nations system, in particular the United Nations Industrial Development Organization, to support the efforts of the developing countries to intensify and expand industrial cooperation among themselves with respect to, among other things, trade in manufactured products, industrial investments and business partnerships, and industrial technology and scientific exchanges;

13. *Requests* the United Nations Industrial Development Organization, in cooperation with the relevant organizations of the United Nations system, as appropriate, to continue undertaking in-depth assessment, analysis and dissemination of best practices in the area of industrial policies and strategies and of lessons learned in industrial development, taking into account the effects of financial crises and the impact of globalization on the industrial structure of the developing countries, so as to support and boost South-South cooperation by providing practical insights and ideas for international industrial development cooperation and for economic and technical cooperation among developing countries;

14. *Emphasizes* the need for financial support to enable the United Nations Industrial Development Organization to implement its technical cooperation programmes and strengthen its global forum activities, and at the same time strongly urges present and former member States to pay their assessed contributions in full, on time and without conditions;

15. *Welcomes* the structural transformation and revitalization of the United Nations Industrial Development Organization as well as its new approach in providing comprehensive and integrated services to its member States and the strengthening of its field representation, and requests the United Nations Industrial Development Organization to continue to support industrialization efforts of developing countries, and to continue to accord priority to the needs of the least developed countries and countries in the African region;

16. *Also welcomes* the focus of the United Nations Industrial Development Organization both on the strengthening of industrial capacities and on cleaner and sustainable industrial development in the context of its new programme reorientation, as well as its cooperation with the relevant bodies and organizations of the United Nations system, in particular the United Nations Environment Programme;

17. *Requests* the Secretary-General to submit to the General Assembly at its fifty-seventh session a report on the implementation of the present resolution.